

CONFIDENTIAL
WEEKLY HOT TOPICS REPORT for RA/DRA Region 8
Week ending February 15, 2019

OFFICE OF ECOSYSTEMS PROTECTION AND REMEDIATION

No report

OFFICE OF ENFORCEMENT, COMPLIANCE & ENVIRONMENTAL JUSTICE

HOT ISSUES AND IMPORTANT DEADLINES:

RCRA Enforcement Reaches Settlement with TestAmerica Laboratories, Inc. resolving a Violation of RCRA at an analytical laboratory in Arvada, Colorado

Key Message: On June 12, 2017, inspectors with the EPA conducted a Resource Conservation and Recovery Act (RCRA) compliance inspection at TestAmerica Laboratories, Inc.'s (TestAmerica's) Arvada, Colorado facility. Based on the inspection and review of materials submitted by TestAmerica, the EPA identified 11 shipments of metal bearing hazardous waste to a treatment, storage, and disposal facility for incineration in a combustion unit, in violation of 40 C.F.R. § 268.3(c).

- The parties agreed to a civil penalty of \$60,000.
- TestAmerica has changed its treatment, storage, and disposal practices to comply with 40 C.F.R. § 268.3(c).
- The EPA worked with the State of Colorado on this enforcement action and alleged a violation of the Code of Colorado Regulations, which has adopted the federal regulation prohibiting the combustion of certain hazardous wastes.
- The TestAmerica inspection was part of the national EPA predictive analytics model pilot project developed by the University of Chicago.
- Technical Contact: Linda Jacobson, 312-6503; Legal Contact: Abigail Dean, 312-6106

OPA Enforcement plans to send Request for Information to the Carrell Oil Company for a discharge in Petroleum County, Wyoming

Key Message: OPA Enforcement is sending an information request to the Carrell Oil Company for the discharge of oil from an oil well near the town of Winnett in Petroleum County, Wyoming.

- On or about March 21, 2017, a discharge of red diesel from a vehicle accident was reported to the National Response Center (NRC). The total amount of the spill is unknown but likely occurred over multiple days.
- Based on the NRC report, the Bureau of Land Management discovered the discharge to Long Coulee.
- OPA Enforcement is issuing this information request to gather information to determine the extent of the discharge (including actual quantities discharged and the possible impact of the waters of the U.S. and/or its tributaries), the environmental harm resulting from the discharge, and the status of the spill clean-up.
- Contact: Darla Hohman, 312-6263; Management Contact: Stephanie DeJong, 312-6362

Air Toxics Enforcement Reaches Settlement with Integrity Applied Science for Violations of The Emergency Planning and Community Right-to-Know Act (EPCRA) following Concerns from Local Emergency Responders

Key Message: ECEJ reached a settlement with Integrity Applied Science for violations of their hazardous chemical storage reporting requirements under EPCRA section 312. Failure to comply with EPCRA section 312 reporting requirements prevents emergency responders from preparing for, and safely responding to, emergencies at facilities where chemical hazards may exist. Region 8 was made aware of the potential non-compliance through concerns expressed by the Local Emergency Planning Committee and fire department.

- Weld County Local Emergency Planning Committee and the Mountain View Fire Protection District Fire Marshall referred the matter to Region 8 due to concerns that Integrity Applied Science was not reporting hazardous chemical storage at its facility in Longmont, Colorado.
- The Integrity Applied Science facility was inspected on February 21, 2018, and inspectors observed non-compliance with hazardous chemical storage reporting requirements under EPCRA section 312.
- Air Toxics Enforcement provided extensive compliance assistance to Integrity Applied Science to prevent future non-reporting and non-compliance with EPCRA section 312.
- A settlement was reached for the violations of EPCRA which was memorialized via a Consent Agreement and Final Order on February 12, 2019, including a penalty of \$24,335.
- Technical Contact: Steven Ramirez, 312-6518; Management Contact: David Cobb, 312-6592

OFFICE OF PARTNERSHIPS AND REGULATORY ASSISTANCE

HOT ISSUES AND IMPORTANT DEADLINES:

Thunder Butte Petroleum Services (TBPS) Refinery Air Permit Preapplication Meeting

Key Message: The Air Program held a preapplication meeting with Arcadis, consultant to TBPS, on February 7, 2019. The Mandan, Hidatsa and Arika (MHA) Nation doing business as TBPS currently operates the TBPS Crude Storage and Loading Facility on the Fort Berthold Indian Reservation (FBIR) in North Dakota and proposes to construct and operate additional facilities on the FBIR. This includes a 20,000 barrel per day (BPD) refinery. TBPS is seeking a synthetic minor new source review air permit for the refinery project.

- Some of the issues discussed during the meeting included flexibilities needed for various end products (liquefied petroleum gas, naphtha, diesel, jet fuel, etc.), future title V operating permit requirements and air dispersion modeling.
- Other media program issues such as Resource Conservation and Recovery Act permitting still need to be resolved.
- Arcadis indicated a timeline of March/April 2019 to submit the air permit application and planned construction in April 2020, dependent on permit issuance.
- Contacts: Donald Law, 312-7015; Gail Fallon, 312-6281

Red Leaf EcoShale Seep Ridge Air Permit Preapplication Meeting

Key Message: The Air Program held a preapplication meeting with Red Leaf Resources, Inc., and their consultant, Trinity Consultants, on February 8, 2019. The company has been piloting various technologies to extract and process oil shale in the Uinta Basin on the Uintah and Ouray Indian Reservation in Utah since 2006. Land leases are through State Institutional Trust Lands (SITLA). Four main processes would be included in this project including mining, drum retorting, processing and power generation. The air permitting source category for this project is a fuel conversion plant.

- Based on information provided by the company, the processing facility would be located outside of the Uinta Basin Ozone Nonattainment Area while some of the mining operations would be located within the nonattainment area.
- This project is anticipated to be a major source with respect to emissions of particulate matter and carbon monoxide requiring a Prevention of Significant Deterioration (PSD) air permit.
- Red Leaf indicated a timeline of June 2019 to submit the PSD permit application and planned construction commencement in Q4 2020 dependent on permit issuance.
- Some of the issues discussed during the meeting included air dispersion modeling, air monitoring data, past state and tribal communications and best available control technology (BACT) requirements.
- Legal counsel for Red Leaf is Jeff Holmstead, former EPA Assistant Administrator for the Office of Air and Radiation.
- The issuance of this permit may be appealed due to the ozone air quality issues in the Uinta Basin.
- Contacts: Claudia Smith, 312-7015; Gail Fallon, 312-6281

Wyoming Ozone Interstate Transport Proposed Rule Published

Key Message: On February 12, 2019, a proposed rulemaking to approve the “prong 2 – interference with maintenance” portion of Wyoming’s 2008 ozone interstate transport state implementation plan (SIP) was published in the Federal Register. The EPA had disapproved this portion of Wyoming’s SIP on February 3, 2017, and participated in court mediated settlement discussions with the state of Wyoming between May 2017 and May 2018.

- Wyoming submitted an updated interstate transport SIP to the EPA on October 17, 2018, and it is this updated version of Wyoming’s SIP that we proposed approval.

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Deliberative Process / Ex. 5

- Contacts: Adam Clark, 312-7104; Monica Morales, 312-6936

OFFICE OF TECHNICAL AND MANAGEMENT SERVICES

No report

OFFICE OF WATER PROTECTION

HOT ISSUES AND IMPORTANT DEADLINES:

Mni Wiconi Public Water System Leak affects around 20 homes in the Lower Brule Public Water System (South Dakota)

Key Message: Approximately 20 homes on the Lower Brule reservation experienced low or no water pressure on 2/12/2019 as a result of a leak at the Mni Wiconi public water system. The water system is taking the necessary steps to protect public health and continues to keep EPA updated.

- Mni Wiconi serves drinking water to a portion of the Lower Brule reservation. A leak was discovered on 2/12/2019 in the coreline that runs through the town of Ft. Pierre, SD.
- The leak was repaired, and water service was restored the same evening.
- During the time of low/no pressure, Lower Brule Rural Water System issued a boil order notice to the affected customers. Water is restored, and the boil order notice will be lifted once they get a safe total coliform sample, after flushing.
- Drinking Water Program staff are monitoring the situation by keeping in contact with Mni Wiconi, Lower Brule and Bureau of Reclamation.
- Contacts: Andrea Griesse, 605-945-1192; Nate Delano, 312-6318; Angelique Diaz, 312-6344

EPA Region 8 attends two Denver Water Optimal Corrosion Control Treatment (OCCT) meetings the week of 2/11/2019

Key Message: Region 8 participated in Water Technical Working Group and Public Stakeholder Meetings related to the MOU between Denver Water and CDPHE pertaining to OCCT.

- The water technical working group met on 2/12/2019 to discuss Denver Water's pilot study data at various doses of orthophosphate and with pH adjustments. Preliminary results suggest 1 mg/L of orthophosphate is not as effective as 2 or 3 mg/L.
- On Thursday, 2/14/2019, Region 8 will attend a public stakeholder meeting where Denver Water and CDPHE will discuss ongoing tests of corrosion control treatment, the development of a variance proposal, and estimates of orthophosphate impacts across the watershed.
- Contact: Angelique Diaz, 312-6344; Sarah Bahrman, 312-6243

EPA Region 8 met with Billings Region Bureau of Indian Affairs, Billings Region Indian Health Services, Bureau of Reclamation, and USDA Rural Development on Wednesday, 2/13/2019 to discuss Crow Drinking Water System Compliance

Key Message: This meeting was a continuation of the 2/6/2019 meeting held among the federal agencies. Agencies discussed the immediate needs for their drinking water systems, waste water system and solid waste to come into compliance. The Crow Tribe also joined the call.

- On 2/12/2019, a tribal court heard arguments regarding the ongoing tribal chairman dispute between Alvin Not Afraid and Carlson Goes Ahead. The court is taking 10 days to review arguments and make a decision regarding tribal leadership moving forward. While the court is reviewing arguments, Alvin Not Afraid is the de facto chairman.
- BIA has made available \$7300 to purchase disinfection chemicals at Pryor and Wyola and to pay for compliance sampling at those systems. Disinfection chemicals have been purchased, but compliance sampling has not resumed. We anticipate EPA contractors will be at these two systems on 2/15/2019 to assist with total coliform/*E.coli* compliance samples.
- IHS will submit an emergency grant application to their HQ office by March 1, 2019 requesting money to make needed repairs at the surface-water fed Crow Agency tribal treatment plant which is currently not operating. IHS agreed to provide the Drinking Water program a list of repairs that this money would pay for.
- BIA is assessing whether it can use a temporary contract to pay the salary for the tribe's only certified operator, provide transportation reimbursement and pay for compliance sampling.
- A lack of funding continues limiting the tribe's operation and maintenance at its drinking water, wastewater and solid waste facilities. For example, the tribe is unable to remove waste from its transfer stations to solid waste landfill due to no funds. EPA will work with federal partners to see if this issue can be resolved through some funding source.
- A follow-up interagency call will be scheduled next week to discuss actions that can be taken in the event of an emergency, outcomes of action items, and additional funding opportunities.
- Contact: Kim Varilek, 312-6264; Angelique Diaz, 312-6344